U.S. Department of Labor

Office of Labor-Management Standards
Boston-Buffalo District Office
JFK Federal Building, Suite E-365
Boston, MA 02203
(617) 624-6690 Fax: (617) 624-6606

June 27, 2022

Colleen Glynn, Business Manager
IATSE Local 11
152 Old Colony Ave.
Boston, MA 02127

Case Number: 110-6022926(▇)
LM Number: 008-813

Dear Ms. Glynn:

This office has recently completed an audit of IATSE Local 11 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). As discussed during the exit interview with Recording Secretary/Treasurer Patrick Keogh on May 31, 2022, the following problems were disclosed during the CAP. The matters listed below are not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Recordkeeping Violations

Title II of the LMRDA establishes certain reporting and recordkeeping requirements. Section 206 requires, among other things, that labor organizations maintain adequate records for at least five years by which each receipt and disbursement of funds, as well as all account balances, can be verified, explained, and clarified. As a general rule, labor organizations must maintain all records used or received in the course of union business.

For disbursements, this includes not only original bills, invoices, receipts, vouchers, and applicable resolutions, but also documentation showing the nature of the union business requiring the disbursement, the goods or services received, and the identity of the recipient(s) of the goods or services. In most instances, this documentation requirement can be satisfied with a sufficiently descriptive expense receipt or invoice. If an expense receipt is not sufficiently descriptive, a union officer or employee should write a note on it providing the additional information. For money it receives, the labor organization must keep at least one record showing the date, amount, purpose, and source of that money. The labor organization must also retain bank records for all accounts.

The audit of Local 11's 2020 and 2021 records revealed the following recordkeeping violations:

1. Disbursements and Credit Card Expenses

   Local 11 did not retain adequate documentation for disbursements and credit card expenses totaling at least $14,000. For example, receipts/invoices for disbursements to ADT, Intuit, 617 Media Group, MK Elections, Comcast, Boston Globe, the union's attorney, and certain travel related expenses, including parking, Uber, and some airline and hotel related expenses, were not provided to OLMS during the course of the audit.

   As noted above, labor organizations must retain original receipts, bills, and vouchers for all disbursements. The president and treasurer (or corresponding principal officers) of your union, who are required to sign your union's LM report, are responsible for properly maintaining union records.

2. Disposition of Property

   Local 11 did not maintain an inventory of property that it subsequently gave away to union members. For example, on at least two occasions during the audit period the union gave away or raffled off gift cards to union members. The union must retain records that identify the date the items were given away and the recipients of those items.

Based on your assurance that Local 11 will retain adequate documentation in the future, OLMS will take no further enforcement action at this time regarding the above violations.

Reporting Violations

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The Labor Organization Annual Report (Form LM-2) filed by Local 11 for the fiscal year ended December 31, 2020, was deficient in the following areas:

1. Acquire/Dispose of Property

   Item 15 (During the reporting period did your organization acquire or dispose of any assets in any manner other than by purchase or sale?) should have been answered, "Yes," because the union gave away gift cards and retiree holiday checks totaling at least $5,000 during 2020. The union must identify the type and value of any property received or given away in the additional information section of the LM report along with the identity of the recipient(s) or donor(s) of such property. The union does not have to itemize every recipient of such giveaways by name. The union can describe the recipients by broad categories if appropriate such as "members" or "retirees."

2. Failure to File Amendment to Constitution/Bylaws

   The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes

changes to its constitution or bylaws. Local 11 amended its constitution and bylaws in 2009 but did not file a copy with its LM report for that year.

Local 11 has now filed a copy of amendments to its constitution and bylaws.

I am not requiring that Local 11 file an amended LM report for 2020 or 2021 to correct the deficient items. Local 11 has agreed to properly report the identified deficient items on all future reports it files with OLMS.

Other Issues

1. Information Not Recorded in Meeting Minutes

   Local 11's Constitution and bylaws do not establish disbursement authorization procedures. During the audit, Colleen Glynn advised that according to unwritten practice, the union membership approves disbursements over $5,000 and the executive board approves all expenses below $5,000, except for reoccurring administrative expenses, which do not require approval.

   After reviewing the membership minutes, OLMS did not find authorization for certain expenses over $5,000. For example, the union incurred over $6,000 in travel related expenses in February 2020 and $6,375 was paid to the International Foundation of Employee Benefits in January 2020. A review of the executive board minutes also identified non-administrative disbursements below $5,000 that lacked authorization. For example, 40-hour work week compensation for the recording secretary/treasurer and over $1,200 in charges to Cedar Grove.

   OLMS strongly recommends establishing a written disbursement authorization policy.

2. Lack of Salary Authorization

   During the audit, Colleen Glynn stated that the recording secretary/treasurer's compensation was set at the rate for the assistant department head at the Boston Opera House. In support, the union provided membership meeting minutes from August 2008. The minutes set the recording secretary/treasurer's compensation at $1,206.13 per week and do not explicitly tie compensation to the Boston Opera House assistant department head rate.

   OLMS recommends codifying the recording secretary/treasurer's compensation through the procedures established in Local 11's constitution and bylaws and retaining the corresponding meeting minutes.

I want to extend my personal appreciation to IATSE Local 11 for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter and the compliance assistance materials provided to you are passed on to future officers. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,

[redacted]
Investigator

cc: Patrick Keogh, Recording Secretary/Treasurer